JONESVILLE TOWN COUNCIL

REGULAR MEETING AUGUST 8, 2016 7:00 P.M.

AGENDA

1.) CALL TO ORDER / INVOCATION / PLEDGE OF ALLEGIANCE

2.) PUBLIC COMMENT PERIOD

Each speaker is asked to limit comments to <u>3 Minutes</u>, and the total comment period will be 30 minutes or less. Although the Council is interested in hearing your concern, speakers should not expect Council action or deliberation on subject matter brought up during the Public Comment Period. Topics requiring further investigation will be referred to the appropriate Town officials or staff and may be scheduled for a future agenda. Thank you for your consideration of the Town Council, staff and other speakers.

3.) ADOPTION OF MINUTES

(TAB 1)

June 27, 2016 and July 25, 2016 special meetings.

4.) CONTINUED DISCUSSION – WATER RATES

As discussed at a recent workshop meeting, the Town water department needs to average collections of approximately \$65,000 monthly to cover our budgeted expenses. Our current rates are projected to be 7.25% lower than needed to reach this amount. As requested at the workshop staff has prepared several rate options for the Council to consider that we believe would address the shortfall.

NOTES:

- The Town of Jonesville water system has approximately 1,300 customers.
- The Town's current rate structure is a \$20.00 base fee which covers the first 2,000 gallons per month usage and each additional 1,000 gallons is \$6.50.

- About 600 customers (46% of total customers) use less than 2,000 gallons per month. These customers generate about 25% of total water revenues monthly at present rate structure.
- About 550 customers (42% of total customers) use between 2,000 and 5,000 gallons per month. This class of customer generates about 31% of total water revenues monthly at present rate structure.
- About 95 customers (7% of total customers) use between 5,000 and 50,000 gallons per month. This class of customer generates about 29% of total water revenues monthly at present rate structure.
- 10 to 15 customers (about 1% of total customers) use more than 50,000 gallons per month. This class of customer generates about 15% of total water revenues monthly at present rate structure.
- The base fee currently collects about \$26,000 per month and excludes about \$21,500 per month from the volumetric charge.
- The water system needs to collect on average about \$65,000 per month to reach self sufficiency and sustainability as directed by the NC Local Government Commission.

RATE OPTIONS:

- A.) Increase base fee (maintain base usage at 2,000 gallons) by \$2.00 per month and increase volumetric rate by \$1.00 to \$7.50 per 1,000
- B.) Maintain volumetric rate at \$6.50 per 1,000, eliminate base usage included in base fee (all usage is billed at volumetric rate) base fee could be reduced to about

C.) Reduce base usage to 1,000 gallons per month and base fee to \$15.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. Volumetric rate would need to increase by about \$1.85 per 1,000 gallons from \$6.50 to \$8.35 per 1,000.

D.) Reduce base usage to 1,000 gallons per month and maintain base fee at \$20.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. Volumetric rate would need to increase by about \$1.35 per 1,000 gallons from \$6.50 to \$7.85 per 1,000.

E.) Increase base usage to 4,000 gallons per month and increase base fee to \$40.00 per month. Keep volumetric rate at \$6.50 per 1,000.

5.) CONTINUED DISCUSSION – OLD TOWN HALL

Town staff has checked with the previous low bidder and confirmed the bid of \$23,000 to demolish the old Town Hall building is still good. Prior to actual demolition the Town will need to complete the disposal of any remaining personal property, possibly by way of a public auction, and the relocation of all Town records being stored within the building. The building will also need to be surveyed for asbestos and/or other hazardous substances with any such disposed of appropriately prior to demolition.

If the Council desires to move forward with demolition it may direct the Town staff to begin taking the above listed steps in order to facilitate the process.

6.) <u>AUTHORIZATION TO OFFER SUPPLEMENTAL DENTAL BENEFIT</u> (TAB 2)

The Town offers basic dental coverage for all its full time employees. The insurance pool will allow individual employees the option to opt into more comprehensive coverage for an increased fee. A number of our employees have requested the okay to do this and are willing to pay the extra fee (\$20.00 per month) for the coverage. In order to offer this optional benefit to our employees, the Council needs to adopt a motion to that effect.

7.) ZACCHAEUS LEGAL SERVICES CONTRACT

(TAB 3)

For the past several years the Town has retained Zacchaeus Legal Services to perform tax foreclosures. Some years ago Yadkin County also retained Zacchaeus for this purpose. The County's participation has allowed us to split the legal cost of mutual foreclosures and has been beneficial to all parties.

Zacchaeus is requesting an extension of the contract until August 1, 2020 with a fee for Town only actions of \$800 per foreclosure action until January 31, 2018 and \$850 for the remainder of the term of the contract.

The fee for joint representation with the Town and County in the case of a mutual foreclosure would be \$950 per foreclosure action until January 31, 2018 and \$1,000 for the remainder of the term of the contract. These fees would be split evenly between the Town and County.

Zacchaeus has performed reliably thus far and staff recommends that the Town continue utilizing their services.

8.) RESOLUTION DECLARING SURPLUS PROPERTY

(TAB 4)

The Town Police Department has two vehicles that are out of service and may be declared surplus and sold. Council will find such resolution behind Tab 4

9.) **DEPARTMENTAL REPORTS**

(TAB 5)

The departmental reports are included in your agenda packet behind Tab 5. <u>The Council will need to make a motion to approve the monthly financial report.</u>

10.) <u>ADJOURN</u>

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- 6.) <u>AUTHORIZATION TO OFFER SUPPLEMENTAL DENTAL BENEFIT</u>
- 7.) ZACCHAEUS LEGAL SERVICES CONTRACT
- 8.) RESOLUTION DECLARING SURPLUS PROPERTY
- 9.) DEPARTMENTAL REPORTS
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